

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, October 4, 2010, 4:30 PM
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips

Alderman Valerie Joh

Vice-Mayor Benjamin K. Mallicote

Alderman C. Ken Marsh, Jr.

Alderman Larry A. Munsey

Alderman Tom C. Parham

Alderman Jantry Shupe

(arrived shortly after roll call)

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

Lisa E. Winkle, Comptroller/Deputy City Recorder

1. **CALL TO ORDER:** 4:30 p.m., by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Angie Marshall.
3. **SESSION TICKLER.** Mayor Phillips asked if we were full speed ahead on the Netherland Inn Road roundabout project. Assistant Public Works Director Michael Thompson replied yes, the BMA had given direction to move forward with the brick pattern.

Alderman Marsh requested clarification on the change in the second BMA work session and business meeting in October. The BMA agreed that the October 18th and 19th meetings have been rescheduled a week later to October 25th and 26th due to the City Manager attending a conference.

4. **PARKING GARAGE UPDATE.** City Manager Campbell and City Engineer Steve Robbins presented an update on this item. Mr. Campbell stated they wanted the BMA to have a chance to review the design before going forward. If the design is approved, construction could begin in January and finish in May, which is much better than previously anticipated. Mr. Robbins presented options on entrances/exits, possible restroom locations inside the structure, as well as a pedestrian walkway through the building. A discussion followed on the necessity, practicality and potential problems of having public restrooms downtown. Mayor Phillips suggested the best recourse may be to only have them open and available for special downtown events. Mr. Robbins noted the shell building on the Center Street side will be built at the same time as the parking structure and will be given to the Kingsport Economic Development Board. Alderman Marsh was concerned that this would be competition for tax-paying citizens. Mr. Campbell stated that we were covering the front of the structure and Mayor Phillips noted that anyone would be eligible to purchase/lease the building from KEDB and they would be paying property tax as well. Bob Feathers, with Work Space Interiors and representing KEDB, agreed and also commented the property was a nice scale and a good incentive to entice business to downtown. The City Manager concluded that after talking with developers there is also potential for new condos or

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apartments on the second floor as there are many people who prefer to stay in a new building rather than an older one. The parking garage will offer 364 parking spaces whereas the current lot provides around 110 and four on Market Street.

5. DRUG DROP ZONE PROGRAM UPDATE. Police Chief Gale Osborne stated that this community project was a surprising success. The Kingsport Police Department collected 179 pounds of unwanted/expired medications from citizens on Saturday, September 25th. This program prevents accidental poisonings, overdoses and environmental contamination. Alderman Parham asked if this would be an ongoing event and Chief Osborne stated they would like to advertise and do it at least twice a year rather than on an individual basis.

Mayor Phillips wanted to mention to the Chief that the apartments on Chadwick Drive are looking much better today than two weeks ago. He commended Public Works, the Legal Department and everyone involved for their outstanding job on that property and hopes that it continues.

6. SCHOOL CENTRAL OFFICE DISCUSSION. Mayor Phillips related that the School System received seven proposals in their attempt to relocate their central office, none of which were optimal choices for their needs. Mayor Phillips suggested the City dedicate 30,000 feet at the back of the Quebecor building to the Central Office and allow the school system to spend the money they have attained from bonds to remodel. He reasoned this would give them a place without costing the City a lot of money and would improve the back of the building (that faces Press Street on the corner of Clinchfield Street). It would also save the tax payers money because the Schools wouldn't have to build a new facility or pay future rent. Mayor Phillips noted that time was a factor due to the fact that Dobyns-Bennett personnel would have to vacate in about 12 months because a separate Dobyns-Bennett bond (12-15 month project) has to be spent by December 2012. Alderman Marsh voiced some concerns about whether the School Board would ask for more money later on and the Mayor stated they must complete the project with the money they have in hand (\$800,000 required reserve and \$1.4 million bond issue). Superintendent Dr. Richard Kitzmiller commented that he wished to explore this option and work with City staff. He stated 65 school employees from four locations (Park Street, Midland, Palmer and Dobyns-Bennett) would be relocating to the new facility, increasing efficiency and operating costs and meeting the needs of DB students. Alderman Marsh asked what would happen to the spaces vacated by the school and was informed that the Midland property could be sold. Mayor Phillips stated it was safe to say the BMA would be willing to dedicate this property to the Central Office. City Attorney Billingsley stated that to move forward there needed to be a property description of the 30,000 square feet being assigned to the Board of Education. Dr. Kitzmiller stated he would discuss this concept with the Board of Education this Thursday to get their endorsement.

7. REVIEW OF AGENDA ITEMS ON OCTOBER 5, 2010 REGULAR BUSINESS AGENDA. City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

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VI.AA.1 Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Colonial Heights Area 1 Part A Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 301-2010) City Planner Ken Weems gave a presentation on this item. He noted that the Planning Commission at their September meeting unanimously approved a recommendation to the BMA for annexing Colonial Heights Area 1 Parts A, B, C and D which is located northwest of Kendrick Creek Road and consisting of 107 acres, 207 parcels, 175 single family homes and 15 multi-family structures. Also included are 12,455 feet (2.35 miles) of residential streets. Only 12 of these parcels do not have sanitary sewer service which would need to be upgraded. Mr. Weems also prepared an owner impact report showing the actual dollar amount the average annexed homeowner would be saving in regards to water/sewer/garbage services and home owners insurance. Mayor Phillips noted that he had received a letter from Sullivan County Mayor Steve Godsey advising there was concern from citizens in the South zone about the annexation and requested a forum between the City and the citizens to reach an understanding. The letter also included a petition containing 384 signatures and 296 addresses. Mr. Weems pointed out that only 14 of these addresses were actually in the annexation zone and several signatures were actually outside of Sullivan County. Mayor Phillips stressed that we need to take the time to educate the people we want to annex as they will be a part of the City and we want them to be a positive part. One of the more notable concerns was that South High School would be closed and the Mayor stated that was not being considered by anyone.

VI.AA.2 Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Colonial Heights Area 1 Part B Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 302-2010) See VI.AA.1

VI.AA.3 Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Colonial Heights Area 1 Part C Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 303-2010) See VI.AA.1

VI.AA.4 Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Colonial Heights Area 1 Part D Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 304-2010) See VI.AA.1

VI.AA.5 Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Edinburgh Addition Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 305-2010) City Planner Ken Weems stated the Planning Commission unanimously approved a recommendation to the BMA for annexing 5 acres of vacant land that includes a pedestrian mobility path for the Edinburgh Subdivision. There is zero population and no streets involved. There is virtually no cost involved other than a small increase to the county tax assessor.

VI.B.1 Consideration of a Resolution to Accept Funds from American Recovery and Reinvestment Act Grant and Donations from the Friends of the Kingsport Library to Purchase 11 Laptops and an Ordinance Appropriating the Funds (AF: 323-2010) City Manager Campbell stated that the Friends of the Library would provide the matching funds

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for this grant. He also noted that about 240 people were trained last year on the use of computers at the Library.

VI.B.2 Consideration of an Ordinance Creating the Higher Education Advisory Board (AF: 329-2010) Mayor Phillips advised this allows the BMA to establish this particular Board and next month there will be further discussion on the nature of the Board.

VI.B.3 Consideration of an Ordinance Appropriating Funds from the Higher Education Project, the Downtown Restrooms Project, and the Downtown Parking Project to Complete Funding of the Purchase of Real Property from KEDB (AF: 331-2010) City Manager Campbell suggested exercising the option of using remainder funds to add 41 parking spaces to the garage. He further stated this puts all the money in place to complete the project.

VI.D.1 Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Apply for and Receive a Tennessee Department of Transportation Enhancement Grant – Greenbelt Pedestrian Bridge Connection Project (AF: 320-2010) City Manager Campbell stated that although this application has been turned down three times, staff still feels this is a good project. These projects are chosen at the discretion of the Commissioner of Transportation.

VI.D.2 Consideration of a Resolution to Condemn for Easements and Right-of-Ways for the Rock Springs Road Improvement Project (AF: 324-2010) City Manager Campbell stated that the City has already taken bids on the first section of Rock Springs Road and this is the only holdup. Alderman Marsh asked what exactly was going to be done to the road. Assistant Public Works Director Michael Thompson stated there was going to be 11 foot lanes, 3 foot shoulders and an eight foot mobility path on the north side of the roadway. This would be considered new construction by today's design standards.

VI.D.3 Consideration of a Resolution Approving the Donation of Trailer Equipment #1858 to the Kingsport Lifesaving Crew and Authorizing the Mayor to Execute an Agreement Memorializing the Donation and the Use of the Trailer Equipment (AF: 325-2010) Deputy Fire Chief Scott Boyd stated this would be a joint venture as the equipment would be utilized by the Fire Department and the Life Saving Crew.

VI.D.4 Consideration of a Resolution Authorizing the Mayor to Sign an Amendment to the RCAT Lease to Allow Kingsport/Sullivan County GED Program to Relocate (AF: 326-2010) City Manager Campbell stated this is something Northeast State has been working on for several months and they have finally reached an agreement. It was also noted that 80% of last year's GED class went on to Northeast State and 1/10 of Northeast Students have a GED. Superintendent Dr. Richard Kitzmiller added that this is 100% state funding, not K-12 or local tax payer money. Additional benefits include the students being downtown where public transit is readily available as well as freeing up space at the American Legion Center.

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VI.D.6 Consideration of a Resolution Authorizing the Mayor to Sign All Documents Necessary and Proper to Apply for and Receive Technical Assistance Grant from the Tennessee Arts Commission (AF: 316-2010) City Manager Campbell noted this grant was for social media market programs and thought it was a great idea. There is no match required by the City.

VI.D.7 Consideration of a Resolution Awarding the Bid for West View Area Project 2-1: Sanitary Sewer and Water Rehabilitation to Hurst Excavating and Authorize the Mayor to Sign all Applicable Documents (AF: 330-2010) City Manager Campbell noted that the City was very pleased with the bid on this rehab project as it is about \$300,000 under budget.


VI.D.8 Consideration of a Resolution Changing the Structure of Benefits for Health Insurance Provided to Active and Retired Employees (AF: 328-2010) City Manager Campbell stated that these criteria changes were briefly discussed during the budget process. The changes in co-pays allow access to specialists when possible and there is also a change in the co-pay/deductible for retirees. The attempt is to stay in line with everyone else while giving City employees a good policy.

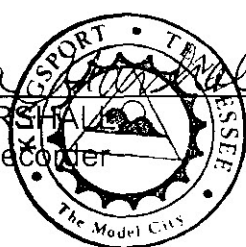
VI.D.9 Consideration of a Resolution Authorizing the Mayor to Execute Agreements to Accept the Proposal of Humana, Inc. as the Third Party Administrator for the City of Kingsport Self-Funded Health Insurance Program (AF: 327-2010) City Manager Campbell stated that a city staff team conducted four interviews and Humana had the best 3rd party proposal. He further stated negotiations are still underway to obtain the best prices and discounts from provider groups. Mayor Phillips noted he had some concerns going forward as some additional information was received today from Wellmont/Mountain States that might affect the City's choice. Risk Manager Terri Evans stated this information was received after 4:00 pm today and could not be evaluated before the work session. Mayor Phillips asked staff to look at this information in more detail tomorrow.


BOARD COMMENT. None

PUBLIC COMMENT. None

8. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:20 p.m.


ANGELA MARSHALL
Deputy City Recorder

The seal of the City of Kingsport, Tennessee, is circular. It features a central emblem with a mountain, a river, and a sun. The words "KINGSPORT • TENNESSEE" are written around the top inner edge, and "The Model City" is written around the bottom inner edge.


DENNIS R. PHILLIPS
Mayor